

ID: CCA_2011072611321237

Number: **201138040**

Release Date: 9/23/2011

Office:

UILC: 6231.05-00

From:

Sent: Tuesday, July 26, 2011 11:32:18 AM

To:

Cc:

Subject: RE: TEFRA question.

Yes. The determination that "qualified nonrecourse financing" is non-qualified non-recourse financing is a partnership item whose determination or recharacterization must be made at the partnership level. See [Dakotah Hills v. Commissioner](#), T.C. Memo. 1996-35 and Treas. Reg. 301.6231(a)(3)-1(a)(1)(v) and -1(a)(1)(vi)(C)(amounts enabling partner to compute at risk under section 465).